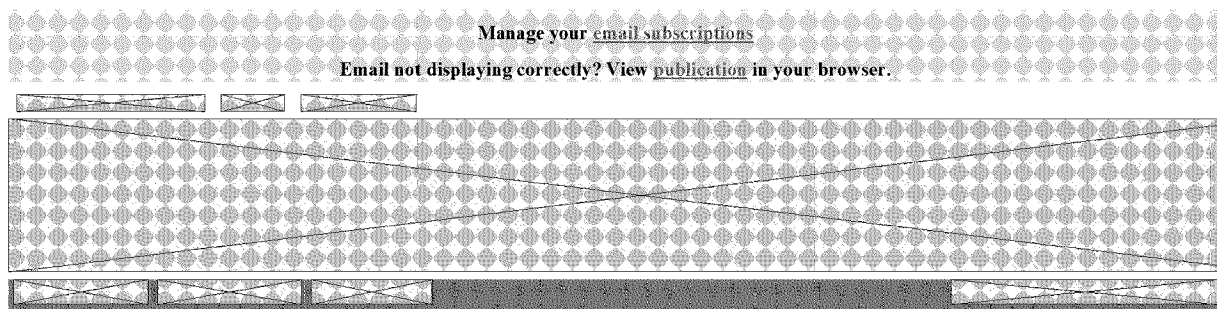


**To:** Auerbacher, Kevin[Auerbacher.Kevin@epa.gov]  
**From:** Corman, Bicky  
**Sent:** Thur 5/16/2013 7:59:12 PM  
**Subject:** Fw: May 16 -- BNA, Inc. Daily Environment Report - Breaking News

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**From:** BNA Highlights  
**Sent:** Thursday, May 16, 2013 3:33:23 PM  
**To:** Corman, Bicky  
**Subject:** May 16 -- BNA, Inc. Daily Environment Report - Breaking News



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**Breaking News**  
**Interior Releases Proposed Rule on Fracking**  
**Revised for Flexibility, State Coordination**

*Posted May 16, 2013, 3:24 P.M. ET*

By [Alan Kovski](#)

The Interior Department released a revised proposed rule May 16 to govern hydraulic fracturing as a part of oil and natural gas drilling on federal and Indian lands.

Interior said the new proposal improves integration with existing state and tribal standards, increases flexibility for oil and gas developers in testing a wellbore for integrity, and clarifies chemical disclosure requirements.

Where state regulations meet or exceed federal standards, companies will be allowed to follow the state regulations without adding new layers of federal procedures.

The revised proposed rule will be subject to a 30-day public comment period.

“The supplemental proposal being released today revises the array of tools operators may use to show that water is being protected, and provides more guidance on trade secret disclosure, while providing additional flexibility for meeting these objectives,” Interior said in a statement released May 16.

Trade secrets are an issue because of the chemical formulas used for additives in the fracturing fluids. Most of the fluid is water, pumped under pressure to create cracks in layers of rock. The secondary component is sand to keep the fractures propped open, and the tertiary component is a chemical mix for such purposes as controlling the viscosity of the fluid and inhibiting rust.

“ While the revised draft seeks to establish baseline environmental safeguards across all public and Indian lands, it also complements efforts of several states that are regulating hydraulic fracturing, including Colorado, Wyoming, North Dakota, and Texas,” Interior said. “The proposal includes a variance process that allows for deferring to states and tribes that already have standards in place that meet or exceed those proposed by this rule.”

“The revised proposal maintains the three main components of the initial proposal: requiring operators to disclose the chemicals they use in fracturing activities on public lands; improving assurances of well-bore integrity to verify that fluids used during fracturing operations are not contaminating groundwater; and confirming that oil and gas operators have a water management plan in place for handling fluids that flow back to the surface,” Interior said.

BLM already had basic regulations for oil and gas drilling and production, but decided in 2012 to add to the regulations after public concern developed over hydraulic fracturing.

The 2012 proposal received much criticism from industry, state officials, members of Congress, and environmental activists. BLM pulled that proposal back and sent the revised proposal to the White House Office of Management and Budget in January.

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